

THE 2015/2016 YEAR IN REVIEW

01 July 2015 –30 June 2016

There has again been some substantial activity within the operations of FTMA during the past twelve months, much of it carried out “behind the scenes” and away from ready visibility of the membership and the public.

We have enjoyed several moments of success during this time and this summary will further demonstrate that your Association has some real relevance, in terms of assisting and servicing its Members, and will also illustrate where your membership subscription dollars have been used.

Membership

Fabricator numbers have grown to 72, now standing at 48 in the North and 24 in the South Island.

Corporate members - The big five, Carters, PlaceMakers, ITM, Mitre 10 and Bunnings continue with their loyal support of our Association

Industry Associate members -

Gold	Mitek NZ	Pryda NZ
Silver	Senco Brands	Multinail Australia
	Vekta Automation	
Bronze	Winstone Wallboards	NZ Wood Products Ltd
	BBI Fasteners	Paslode NZ
	AsureQuality Ltd	James Hardie NZ
	Pukepine Sawmills	Pine Sawmills NZ
	Kop-Coat NZ	I.P.L.West Coast
	LumberworX	Hundegger Australia

New fabricator members appointed this just-past year include -

Letts Construction, Tauranga
Preston Precut Ltd, Invercargill
Akarana Timbers, Rolleston

and new Industry Associate member -

LumberworX Ltd, Christchurch

Your continued membership, active participation and fully engaged support is vital to our efforts on your behalf to enhance manufacturing and operating standards throughout the timber frame and truss fabrication industry, while at the same time promoting and encouraging the image of timber framed structures as the preferred choice of building material in New Zealand against the constant threat of steel and other alternatives.

Our year started with the resignation of our then Chairman, Richard Rozbicki of Carters. He was replaced by his predecessor, Robert Grimmer of PlaceMakers, who has himself since announced his retirement effective at the 30 June 2016.

Mike van der Hoek of Thomsons ITM will take over the leadership of the executive team until the AGM in September this year.

Member subscriptions

For the 2016 – 2017 year, commencing 01 July 2016, your Executive team has elected to hold all member subscriptions at the existing levels. It is worthy of mention that these rates have not increased during the past 6–7 years, a tribute to the measured and efficient manner in which the Executive manages the budgets for your end benefit.

Member Services

Ian McGregor, your Member Services officer has carried out his duties effectively, and while he is involved in all aspects of Association business his main focus includes -

- Regular plant site visits
- Attending all Executive meetings
- Recruiting new members, both fabricators and industry associates
- Facilitating and following up plant audits
- Assisting in maintaining the website in accurate and updated status
- Preparing appropriate industry copy for our regular E-Letters.
- Representing FTMA at various pan-industry forums as deemed appropriate
- Maintaining regular liaison and communication with BIF
- Attending meetings with both Legal and Government bodies (MBIE) where requested

Executive Meetings

At last year's AGM, a new Executive team was appointed and we now have improved representation from the South Island with three on the Board, the other nine (of an increase in executive numbers to twelve) from the North.

The Executive team meets around every second month, attendance numbers are good and we try to use alternative venues both within Auckland and in other regions as best we can arrange.

The chairman reads a non-collusion statement to all in attendance at the start of each meeting, so that we remain constantly aware of the associated risks of breaching anti-competitive laws by unwitting discussion of forbidden topics.

Your current Executive team (to 30 June 2016) is -

Chairman	Robert Grimmer	PlaceMakers
Vice Chairman	Mike Van der Hoek	Thomsons ITM
Executive	Graham Hunt	Mitek NZ
	Jon Hill	Pryda NZ
	Darren Wilson	ITM Support Office
	Daniel Howe	Akarana Timbers
	Malcolm Young	Katikati B/Supplies ITM
	Alan Westwood	Carters
	Neville Smith	Total Building Supplies ITM
	Paul McKay	TFW Group, Rangiora
	Jonnie Sutherland	Kaipoi Frame & Truss
	Rodney Woolf	Nelson ITM
Non executive	Ian McGregor	Contractor
Secretariat	Liz Hamilton	With Compliments Ltd

Note that Richard Rozbicki, will become PlaceMakers' representative on the Executive following the retirement of Robert Grimmer.

FTMA Associated Support Membership

Our organisation is an associate member of the Building Industry Association (BIF), which is in regular contact with various Government bodies such as MBIE and their representatives regarding policy issues that directly affect the building and construction sector. This membership ensures that we do not lose access to Government bodies and departments where policies and regulations concerning this sector directly affects our frame and truss industry.

We have recently applied to become an Associate member of the BCITO, which membership will provide further industry updates, regulatory changes and access to all WorkSafe NZ regulations.

Financial Position

Your executive team applies prudence to all monetary matters at each and every Board meeting, and as a result of that focus, your Association is currently in a sound financial state with a solid bank account balance.

We had earlier budgeted to spend significant money on a further round of plant audits within the 2015-2016 year, but the intrusion of MBIE's Guidance document on Manufactured Building Solutions (more later) curtailed further audit action taking place.

While there has been substantial legal expense incurred during our negotiations with MBIE, this has been covered satisfactorily within the budget.

Industry Issues

MBIE and "Manufactured Building Solutions"

As has been mentioned in numerous e-letter communications to you all, we have been very focused on arguing the FTMA position against the implications we immediately perceived to be inherent within the initial MBIE guidance document first published late in 2014.

In its earliest draft form this document suggested that all frame and truss work carried out by our fabricator members was regarded by MBIE authorities as being "Building Work" and in some cases "Restricted Building Work" with the consequent implication that our sector of the industry might require the involvement of LBP qualified personnel.

Much of the document's early content also indicated that MBIE considered frame and truss to be clearly part of panelised construction.

Our immediate view and subsequent early submissions to MBIE, argued the case for our frame and truss product to be categorised as just that, "product supply only."

"Long story short", to date we have had some positive reaction to our submissions, including MBIE acknowledging the importance of industry Associations to each industry player, and agreeing to remove all references to frame and truss from the draft guidance paper.

Also, included in their latest correspondence to us, MBIE did make the (conciliatory?) statement –

"We agree that there is no current problem with frames and trusses and the compliance pathways set out in NZS 3604, and that the industry has been operating successfully to date. We

don't believe frame and truss manufacturers will need to significantly change their processes in response to this guidance"

However we remain of the opinion that this does not affect the need for careful consideration of the implications of MBIE's largely unchanged stance on the design and manufacture of timber frames and trusses.

Our most recent response to MBIE (24 June 2016) states we still have key concerns in some areas including absolute clarification of whether our work falls into the category of Restricted Building Work (RBW).

Our immediate focus may now be shifted away from high-level legal arguments but rather directed at the practical implications of MBIE's views for our members.

We have addressed MBIE's comment that the RBW question should be assessed on a "case-by-case" basis by stating our strong view that we cannot see where our work falls into the scope of one of the LBP licence classes.

In particular we have stressed that we believe it should be possible to clearly determine that off-site, machine-driven manufacturing of frames and trusses is not covered by the Carpentry licence class and is thus not RBW.

Furthermore on this issue we claim that it is not economically feasible (or indeed justified) for our members being forced into seeking determinations on a "case-by-case" basis, and we followed by asking for MBIE to state their general position in a more reasonable categorical manner.

While we are partially satisfied with the some of the progress we have achieved to date, we wish to discuss further with MBIE the remaining issues that are still unclear relative to the RBW dilemma, particularly the specific detail of indicative criteria contained in their most recent correspondence.

As far as we are aware, the final (?) version of the document has not yet been printed; we will be in touch again when we have it.

Plant Audits

We had fully intended a second round of Plant audits be carried out within this YE 30 June 2016, and had budgeted accordingly.

However the perceived ramifications of the MBIE Guidance document mentioned above will likely affect our Code of Practice document around which we base the audits, leading us to defer any further audit activity for the time being.

A reminder that when we do resume the audit programme, it was our intention to work toward a self-audit scheme two years after the formal round, leading on to another full compliance audit two years later again.

FTMA Code of Practice

A review of our COP document is also delayed due to the final outcome of our negotiations with MBIE on their Guidance document.

It has been mentioned more than once in MBIE draft documents that membership of an Industry Association (such as FTMA) whereby evidence of compliance with any testing standards or quality measures this Association may have, will provide part-demonstration of overall compliance with the Building Code, by way of illustrating product assurance and quality controls within factory processes, everyday manufacturing practices, and independent or self-certification of the factory and plant.

The clear message from all of this is to always avoid taking shortcuts!

Aligned to recent Government focus on all product assurance fears currently alleged to be rampant in the Building Industry, the review of our COP will of necessity take into account whatever MBIE's final Guidance document outlines that is relevant to our sector of the industry, and be comprehensive in its content and intention.

This intent may include instituting some strong QA practices as advocated by both MBIE and our auditing contractor, AsureQuality Ltd.

FTMA Website

The existing site is regularly updated but we believe it still needs refreshing.

We are about to either enhance the existing site and its content, or create a more modern content-altered appearance, with improved accessibility from all IT and /or social media devices.

This decision will be made at the next Executive meeting.

We are keen to make the website more vibrant and productively informed for all readers /visitors and are also considering introducing some new features for members only.

Any input from members will be welcomed, so please tell us what you want from your website; it is after all for your use and benefit as much as anyone from the public, and we encourage greater member use at all times.

Newsletters

These regular publications are now singularly transported electronically and the focus is on short and industry-relative content only. As with the website you are encouraged to read these as you receive them as we consider the need for you to be fully informed and updated on all industry, regulatory and safety affairs, to be of paramount importance.

Health & Safety in Employment

WorkSafe NZ (WSNZ) is now the regulatory Government body responsible for all aspects of Health & Safety in the workplace, their powers are beyond argument, and they are completely focused on the wellbeing of all participants in all industries in the country, with some particular emphasis on the building and construction sector.

Your Association can really do no more than to keep you regularly updated on all H&S issues and WSNZ initiatives as they arrive, and at the same time emphasise again the absolute importance of all of our members having conforming and robust H&S policies in place.

BCITO

National qualifications for frame and truss detailing are now well entrenched in place, and this Industry Training Organisation strongly supports FTMA in its endeavours to expand their numbers of trained detailers and manufacturers within our operations.

All members are strongly urged to support this national training scheme, and it is important that we receive feedback from members on the BCITO performance.

We continue to work closely with the BCITO organisation on other staffing initiatives and will keep you advised of progress.

Promotional

As we continue to investigate an improved website, adopt QA issues as they may arise from the MBIE outcome, and amend and develop the COP document, we are committed to growing and promoting further the FTMA Brand presence and meaningful recognition.

We will again provide Year-Planner Wall Charts to all members, High-resolution FTMA logos are readily available for membership use, and we encourage all of you to strongly promote the FTMA in all of your advertising and promotional activities.

General comment

FTMA has recently agreed to make available via the website, PDF copies of a booklet on Wood Processing, created by Wood Wise Ltd, and distributed by the Northern Timber Association Charitable Trust (NTACT). This is a very comprehensive explanation of the whole timber processing operation from seed and log form to the finished article, and is recommended as well worthy of study by all FTMA members' staff.

FTMA continues to be the vehicle for members and also the general public to seek advice on industry related matters, and we have fielded numerous calls about several and varied subjects during the year and have applied all of the intelligence sources at our disposal in prompt response to each and every one of them.

Typical of enquiries received are -

Polytech request to visit a frame and truss plant	
B Arch /LBP Designer	Complaint about our COP and the placement of girder trusses
Architect	Request to have a fabricator quote on special trusses
Member(s)	Request for assistance in dealing with Council(s)
Council(s)	Seeking examples of Manufacturer Statements
General public	Seeking names of fabricator members to approach
Quantity Surveyor	Seeking Canterbury fabricators for special exposed trusses
Member	Asking for general industry rates for detailers
General public	Do our members make prefab cavity panels ?
MBIE	Request to nominate representative on Standards review
MPI	Request to nominate agent for Eng Timber Steering group
Member(s)	Nailing of made-up timber lintels
Member(s)	Clarification of NZS 3604

My thanks are hereby extended to all of the executive team for their largely unseen but ongoing efforts on your behalf.

Annual General Meeting

This year's function will be held on Tuesday 13th September 2016, at the Commerce Club of Auckland's premises in Remuera, Auckland.

A formal notice of meeting will be issued in due course.

Mike van der Hoek,
Chairman, FTMA NZ
12 July 2016